

2012 Harrison County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Harrison County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Harrison County the average tax bill for all taxpayers increased by 1.9%. This tax bill rise was the result of a 4.8% increase in the tax levy of all local government units and a 1.6% rise in certified net assessed value. Most of the assessment increase was due to a large rise in farmland assessments. Homestead and business assessments fell, which may have been a legacy of the recession. Levy growth exceeded assessment growth, so tax rates increased in most Harrison County tax districts. Still, most Harrison County tax rates were so low that tax cap credits as a percentage of the levy remained small, at 0.2%.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.9%	\$19,892,431	\$1,587,713,106	0.2%
Change		4.8%	1.6%	0.0%
2011	-11.8%	\$18,988,326	\$1,562,434,169	0.2%

Homestead Property Taxes

Homestead property taxes increased 1.2% on average in Harrison County in 2012. Tax rates increased in most Harrison County tax districts. The county average tax rate rose by 3.1%. Harrison County rates remained very low, however, so only 0.2% of Harrison County homesteads were at their tax caps in 2012. This amount was almost unchanged from 2011.

Comparable Homestead Property Tax Changes in Harrison County

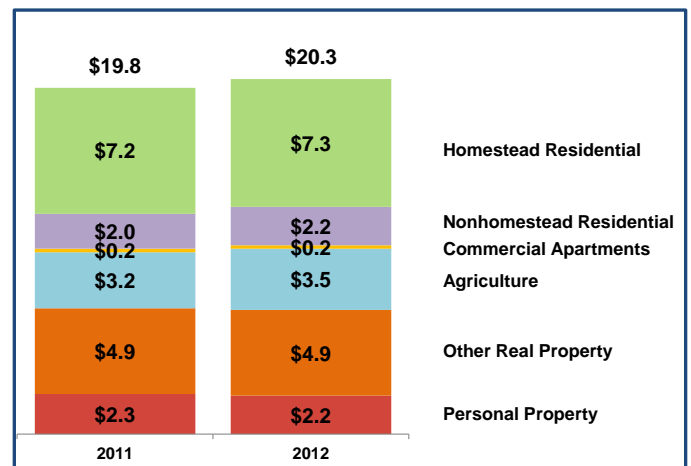
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	6,035	53.6%
No Change	223	2.0%
Lower Tax Bill	4,993	44.4%
Average Change in Tax Bill	1.2%	
Detailed Change in Tax Bill		
20% or More	479	4.3%
10% to 19%	1,329	11.8%
1% to 9%	4,227	37.6%
0%	223	2.0%
-1% to -9%	3,709	33.0%
-10% to -19%	906	8.1%
-20% or More	378	3.4%
Total	11,251	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Harrison County's 2012 net property taxes were paid by homeowners and business owners on their land and buildings (other real) and business equipment (personal). Net tax bills for all taxpayers increased 1.9% in Harrison County in 2012. Net taxes were higher for agriculture, commercial apartments, nonhomestead residential property (mostly small rentals and second homes), and homesteads. Net taxes were lower for business personal property, and slightly lower for business real property.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in almost all Harrison County tax districts. The average tax rate rose by 3.1%, because a levy increase was not offset by a smaller increase in net assessed value.

Levies in Harrison County increased by 4.8%. South Harrison School Corporation had the largest levy increase, due to growth in its debt service, school pension debt, and bus replacement funds. North Harrison School Corporation saw an increase in its debt service fund levy, and the county increased its general fund and park and recreation fund levies. No Harrison local units had substantial decreases in their levies.

Harrison County's total net assessed value decreased 0.8% in 2012. Agricultural net assessments rose 8.8%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments fell 2.6%, due to drops in homestead and business assessments. This decline may be a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$1,450,511,061	\$1,438,671,285	-0.8%	\$605,609,458	\$599,859,222	-0.9%
Other Residential	168,746,600	173,444,200	2.8%	161,170,010	164,189,346	1.9%
Ag Business/Land	266,376,900	290,974,101	9.2%	264,049,176	287,233,699	8.8%
Business Real/Personal	678,039,072	648,056,881	-4.4%	607,217,918	574,366,670	-5.4%
Total	\$2,563,673,633	\$2,551,146,467	-0.5%	\$1,638,046,562	\$1,625,648,937	-0.8%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Harrison County were \$35,537, or 0.2% of the levy. This was much less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Harrison County's tax rates were among the lowest in the state in most tax districts.

About half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were elderly credits, which limit tax bill increases of older homeowners to 2% per year. The largest percentage losses were in the town of Milltown, the Crawford County School Corporation (which is partially in Harrison County), and the Whiskey Run Fire Protection District, where district tax rates were near \$3 per \$100 assessed value. The largest dollar losses were in Milltown, the Crawford County School Corporation, and the county unit.

Tax Cap Credits by Category

Tax cap credits increased slightly in Harrison County in 2012 by \$3,209, or 9.9%. The percentage of the levy lost to credits remained particularly low in Harrison County, and did not change from 2011. There were no major changes in state policy to affect tax cap credits in 2012. Harrison County credits increased mainly because most district tax rates increased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$4,750	\$5,279	\$529	11.1%
2%	19,383	17,590	-1,793	-9.3%
3%	479	0	-479	-100.0%
Elderly	7,716	12,669	4,953	64.2%
Total	\$32,328	\$35,537	\$3,209	9.9%
% of Levy	0.2%	0.2%		0.0%

Harrison County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	31,664,754	18,993,186	22,058,721	18,988,326	19,892,431	-40.0%	16.1%	-13.9%	4.8%
State Unit	45,132	0	0	0	0	-100.0%			
Harrison County	7,162,811	5,278,047	5,295,095	5,520,081	5,749,109	-26.3%	0.3%	4.2%	4.1%
Blue River Township	32,091	31,082	31,308	32,266	32,355	-3.1%	0.7%	3.1%	0.3%
Boone Township	15,879	17,002	17,270	17,399	17,713	7.1%	1.6%	0.7%	1.8%
Franklin Township	51,960	46,692	46,496	46,201	44,201	-10.1%	-0.4%	-0.6%	-4.3%
Harrison Township	186,743	181,925	177,476	181,560	176,929	-2.6%	-2.4%	2.3%	-2.6%
Heth Township	8,672	9,404	9,505	9,654	9,795	8.4%	1.1%	1.6%	1.5%
Jackson Township	74,937	66,930	66,630	67,810	66,026	-10.7%	-0.4%	1.8%	-2.6%
Morgan Township	10,745	11,402	11,662	11,777	12,092	6.1%	2.3%	1.0%	2.7%
Posey Township	22,438	23,378	23,669	23,730	24,168	4.2%	1.2%	0.3%	1.8%
Spencer Township	38,279	37,615	37,944	38,987	39,031	-1.7%	0.9%	2.7%	0.1%
Taylor Township	24,631	25,354	25,580	26,375	26,860	2.9%	0.9%	3.1%	1.8%
Washington Township	9,116	9,426	9,411	9,904	10,064	3.4%	-0.2%	5.2%	1.6%
Webster Township	20,730	22,690	23,233	23,738	24,109	9.5%	2.4%	2.2%	1.6%
Milltown Civil Town	43,967	48,842	47,618	48,684	56,421	11.1%	-2.5%	2.2%	15.9%
Corydon Civil Town	544,352	571,565	580,252	601,835	611,869	5.0%	1.5%	3.7%	1.7%
Crandall Civil Town	2,672	2,994	3,060	3,114	3,167	12.1%	2.2%	1.8%	1.7%
Elizabeth Civil Town	3,306	3,305	3,305	3,293	3,305	0.0%	0.0%	-0.4%	0.4%
Laconia Civil Town	856	958	1,034	1,071	1,086	11.9%	7.9%	3.6%	1.4%
Lanesville Civil Town	28,078	29,232	29,534	30,764	30,860	4.1%	1.0%	4.2%	0.3%
Mauckport Civil Town	3,247	3,324	3,345	3,442	3,506	2.4%	0.6%	2.9%	1.9%
New Amsterdam Civil Town	0	0	0	0	0				
New Middletown Civil Town	0	0	0	0	0				
Palmyra Civil Town	29,841	30,846	31,384	31,265	33,149	3.4%	1.7%	-0.4%	6.0%
Crawford County Community School Corp	112,136	65,215	63,452	68,675	57,835	-41.8%	-2.7%	8.2%	-15.8%
Lanesville School Corp	2,394,416	914,270	897,771	915,522	963,166	-61.8%	-1.8%	2.0%	5.2%
North Harrison Community School Corp	6,502,929	3,410,148	5,933,314	3,158,812	3,428,831	-47.6%	74.0%	-46.8%	8.5%
South Harrison School Corp	12,765,084	6,608,224	7,123,452	6,495,744	6,818,139	-48.2%	7.8%	-8.8%	5.0%
Harrison County Public Library	1,070,003	1,143,524	1,155,150	1,193,700	1,214,601	6.9%	1.0%	3.3%	1.8%
Whiskey Run Fire Protection District	10,411	10,249	8,916	5,737	7,951	-1.6%	-13.0%	-35.7%	38.6%
Palmyra Fire	98,136	96,397	97,569	99,988	99,903	-1.8%	1.2%	2.5%	-0.1%
Heth-Washington Twp Fire Protection Dist	45,872	47,293	47,756	49,876	49,808	3.1%	1.0%	4.4%	-0.1%
Boone Township Fire District	37,933	40,367	40,967	42,525	43,246	6.4%	1.5%	3.8%	1.7%
Harrison County Solid Waste Mgmt Dist	231,301	168,821	178,079	184,367	192,113	-27.0%	5.5%	3.5%	4.2%
Webster Twp Fire Protection	36,050	36,665	37,484	40,430	41,023	1.7%	2.2%	7.9%	1.5%

Harrison County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
31001	Blue River Township	1.3539	--	--	--	--	--	--	1.3539
31002	Milltown Town-Blue River Twp	2.8948	--	--	--	--	--	--	2.8948
31003	Boone Township	1.2263	--	--	--	--	--	--	1.2263
31004	Laconia Town	1.3393	--	--	--	--	--	--	1.3393
31005	Franklin Township	1.1719	--	--	--	--	--	--	1.1719
31006	Lanesville Town	1.3330	--	--	--	--	--	--	1.3330
31007	Harrison Township	1.1414	--	--	--	--	--	--	1.1414
31008	Corydon Town	1.6552	--	--	--	--	--	--	1.6552
31009	Heth Township	1.2101	--	--	--	--	--	--	1.2101
31010	Mauckport Town	1.4486	--	--	--	--	--	--	1.4486
31011	Jackson Township	1.3337	--	--	--	--	--	--	1.3337
31012	Crandall Town	1.4652	--	--	--	--	--	--	1.4652
31013	Morgan Township	1.3942	--	--	--	--	--	--	1.3942
31014	Palmyra Town	1.5529	--	--	--	--	--	--	1.5529
31015	Posey Township	1.1167	--	--	--	--	--	--	1.1167
31016	Elizabeth Town	1.2072	--	--	--	--	--	--	1.2072
31017	Spencer Township	1.3527	--	--	--	--	--	--	1.3527
31018	Milltown Town-Spencer Township	2.8896	--	--	--	--	--	--	2.8896
31019	Taylor Township	1.2031	--	--	--	--	--	--	1.2031
31020	Washington Township	1.2400	--	--	--	--	--	--	1.2400
31021	New Amsterdam Town	1.2400	--	--	--	--	--	--	1.2400
31022	Webster Township	1.2299	--	--	--	--	--	--	1.2299
31023	New Middletown Town	1.2299	--	--	--	--	--	--	1.2299
31024	Milltown Town-Spencer Township	2.5620	--	--	--	--	--	--	2.5620

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Harrison County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	5,279	17,590	0	12,669	35,537	19,892,431	0.2%
<i>TIF Total</i>	0	0	0	0	0	0	
<i>County Total</i>	5,279	17,590	0	12,669	35,537	19,892,431	0.2%
Harrison County	673	2,200	0	3,379	6,252	5,749,109	0.1%
Blue River Township	42	164	0	23	228	32,355	0.7%
Boone Township	0	0	0	10	10	17,713	0.1%
Franklin Township	0	0	0	21	21	44,201	0.0%
Harrison Township	0	0	0	115	115	176,929	0.1%
Heth Township	0	0	0	0	0	9,795	0.0%
Jackson Township	0	0	0	91	91	66,026	0.1%
Morgan Township	0	0	0	5	5	12,092	0.0%
Posey Township	0	0	0	3	3	24,168	0.0%
Spencer Township	7	0	0	47	54	39,031	0.1%
Taylor Township	0	0	0	6	6	26,860	0.0%
Washington Township	0	0	0	8	8	10,064	0.1%
Webster Township	0	0	0	2	2	24,109	0.0%
Milltown Civil Town	2,027	6,631	0	349	9,007	56,421	16.0%
Corydon Civil Town	0	0	0	581	581	611,869	0.1%
Crandall Civil Town	0	0	0	1	1	3,167	0.0%
Elizabeth Civil Town	0	0	0	1	1	3,305	0.0%
Laconia Civil Town	0	0	0	0	0	1,086	0.0%
Lanesville Civil Town	0	0	0	37	37	30,860	0.1%
Mauckport Civil Town	0	0	0	0	0	3,506	0.0%
New Amsterdam Civil Town	0	0	0	0	0	0	
New Middletown Civil Town	0	0	0	0	0	0	
Palmyra Civil Town	0	0	0	0	0	33,149	0.0%
Crawford County Community School Corp	1,830	7,121	0	375	9,326	57,835	16.1%
Lanesville School Corp	0	0	0	521	521	963,166	0.1%
North Harrison Community School Corp	250	0	0	3,239	3,489	3,428,831	0.1%
South Harrison School Corp	0	0	0	2,905	2,905	6,818,139	0.0%
Harrison County Public Library	142	465	0	714	1,321	1,214,601	0.1%
Whiskey Run Fire Protection District	286	935	0	49	1,269	7,951	16.0%
Palmyra Fire	0	0	0	37	37	99,903	0.0%
Heth-Washington Twp Fire Protection Dist	0	0	0	12	12	49,808	0.0%
Boone Township Fire District	0	0	0	24	24	43,246	0.1%
Harrison County Solid Waste Mgmt Dist	22	74	0	113	209	192,113	0.1%
Webster Twp Fire Protection	0	0	0	3	3	41,023	0.0%
Morgan Township Fire District	0	0	0	0	0	0	

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.